

**MINUTES  
CITY OF ST. CHARLES, IL  
HOUSING COMMISSION  
THURSDAY, JANUARY 28, 2016  
COUNCIL COMMITTEE ROOM**

**Members Present:** David Amundson, Rita Payleitner, John Glenn, Corinne Pierog, John Hall Jr., Karrsten Goettel

**Members Absent:** Liz Eakins, Tom Hansen, Tim Kessler

**Others Present:** Ellen Johnson, Planner  
Matthew O'Rourke, Economic Development Division Manager  
Rita Tungare, Director of Community & Economic Development

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**1. Call to Order**

Chairman Amundson called the meeting to order at 7:05 p.m.

**2. Roll Call**

Ms. Johnson called roll with six members present. There was a quorum.

**3. Approval of Agenda**

**A motion was made by Ms. Payleitner and seconded by Mr. Glenn with a unanimous voice vote to approve the Agenda.**

**4. Approval of Minutes from the December 17, 2015 Meeting**

**A motion was made by Mr. Glenn and seconded by Ms. Payleitner with a unanimous voice vote to approve the December 17, 2015 meeting minutes. Chairman Amundson abstained.**

Chairman Amundson noted that he is concerned that the window of opportunity to receive affordable units or fee in-lieu from new developments is closing. He said he keeps seeing big projects coming through in the newspaper and he does not want to retroactively have to tell developers they have to provide affordable units or fee in-lieu; they should know the ground rules going in. He said if things do not get moving quicker in terms of City Council approving the changes to the Inclusionary Housing Ordinance (IHO), the Housing Commission can render themselves near meaningless.

Ms. Pierog asked about the reason for the delay.

Ms. Tungare said the Housing Commission started the conversation about amending the IHO last spring. Last June, she gave a presentation at the Council Retreat to warm the Council up to the idea that some amendments would be presented. Council grasped the concept and gave the green

light. The Housing Commission then continued the conversation to formulate some amendments. In November, staff went back to Council at a Committee meeting to present the proposed amendments. The Council did not like the change in the City's affordability percentage according to IHDA, and did not support letting the State dictate how we adopt our housing policies.

Ms. Payleitner said the Council is okay with switching the IHO back on, they just do not want our affordable housing percentage to go from 23% to 11% just because the State says so.

Chairman Amundson said the Council was okay conceptually with switching the IHO back on if the numbers implied that, but the City's methodology for determining our affordable housing share doesn't imply that the IHO should be turned on yet, while the State's numbers imply it should be. He said he is not sure we get much right in saying, "we are not going to follow the State's rules" because what the State says at the end of the day is what rules, regardless of what Council thinks.

Chairman Amundson said his perception was that if there were actually "teeth" in the State statute, Council might pay a little more attention. Also, other communities are claiming total exemption due to home rule, so Council questions why we are trying to impose IHO requirements and why we are pioneers in doing so.

Ms. Tungare said in presenting such items to the Council the question of what other communities in the area are doing always comes up. In this case, we are truly pioneers in this area. Not many communities have IHOs, adopt affordable housing policies, or even have a Housing Commission. This tends to give the Council some level of discomfort and they do not understand the hurry in imposing affordable housing requirements, since we are the only community in the area with these requirements. Another thing expressed by the Council was that it did not want projects that are in the pipeline to get penalized in any way because we are in the midst of changing the IHO. She said after conversations with a couple of elected officials, the Mayor, and the City Administrator, she gathered that at a higher level they understand the IHO and proposed changes, but they struggle with the very complex concepts since we have some newer members since the adoption of the IHO. That is why it was decided that it made sense to take a step back and for staff to bring them along slowly. She said in that spirit, there was a request from Chairman Bancroft to do an "IHO-101" presentation to explain the history of the IHO, its background, and how the current suspended ordinance works. This presentation was made to the Planning & Development Committee in December. More than half of the Council are newer elected official who did not have that background and it was a learning experience for them. She said in January there was not an opportunity to bring the IHO back up at P&D Committee. For the February meeting, she will be having a conversation with the P&D Chairman because the IHO will be the only item on the agenda. She said she will be conferring with the City Administrator and the P&D chairman tomorrow.

Ms. Pierog asked where the City is in regard to implementing the recommendations of the CMAP study, particularly regarding senior housing and affordable housing for families with children with developmental disabilities. She said Geneva has targeted land for that type of housing, so they are leading and being trendsetters in that regard.

Ms. Johnson said one thing that came out of the CMAP study was a recommendation to explore the Community Land Trust (CLT) idea. That will be discussed later in this meeting.

Ms. Pierog said there are people that know the study was done; they saw the need and people bought into it, and now is it just going to sit on the shelf.

Ms. Tungare said the CMAP study was adopted about a year ago. She said some of the recommendations are relatively shorter term, but most are long term, which could be implemented in anywhere from 2-10 years, depending on things like staffing, available funding, and politics. She said we will have to tackle the recommendations one at a time due to those constraints. The first approach is to explore the Community Land Trust idea, because it seems to be something tangible that could be made real within a relatively short period of time (in a couple of years). She said there was a presentation last week that the Housing Commission was advised of. A consultant from BPI, Betsy Lassar, came out and gave a presentation to introduce the CLT concept to staff from the four CMAP study partner communities. Ms. Tungare said from her standpoint, she cannot devote staffing to conceptual conversations on a number of concepts at one time. Our department's primary responsibility is development activity. When development applications come, staff has to concentrate on them because the process is bound by State law. She said we allocate about 20-25% of staff time on these types of housing initiatives and programs and remain committed to continuing that. She asked that we stay focused on one program at a time.

Mr. Glenn asked who the CLT presentation was made to and why the presentation couldn't have been made at a Commission meeting. Ms. Tungare said the presentation was for the other three CMAP study partner communities, as well. She noted that Aldr. Payleitner and the Mayor attended, which speaks a lot about the support for inclusionary housing from a political standpoint and she wished some of the Housing Commission members could have attended to hear the information first hand. She noted that staff was there as well as staff from other communities, MPC and CMAP.

Ms. Payleitner said we are missing opportunities for collecting fee in-lieu with the IHO suspended. Some of her colleagues see \$500,000 and want to do something with it, but once we use it, it's gone and will not be replenished if we do not turn the IHO back on.

Chairman Amundson said he agrees that the Community Land Trust is where they need to head. He said it is the most flexible option and takes care of a host of problems related to affordable housing. However, we cannot do anything unless there is an ordinance in place that might generate money to have some leverage to actually do something. He said the calculations that Springfield has come up with are not going to change, so Council needs to decide what to do and do it. He said he is losing patience.

Mr. Glenn said he came on the Commission because he thought he could do something and he is fast learning that he cannot. He doesn't want to get off this Commission but he also doesn't want to just be coming to meetings and have nothing happen. He said he understands why Council does not like the State's numbers and wants to be in control of our own destiny, but somehow we

have to get Council over that hurdle.

Mr. Goettel said part of the reason the Housing Commission is set up is to delve deeper into these issues and he understands Council needs to come along slowly, but they also need to rely on the Housing Commission to a degree to know that we have done our homework and have peaked our expertise; there has to be some working together on this.

Ms. Payleitner said it is frustrating to her as well, and that is no secret amongst her colleagues.

Mr. Glenn suggested having the Housing Commission in front of Council for another presentation to answer questions, but not at a P&D meeting because then they have other items to discuss. Ms. Tungare said it has to be a public meeting and the best way to do a public meeting is at the Committee level.

Ms. Payleitner asked if Plan Commission had any issues with taking it out of the Zoning Ordinance. Ms. Tungare said the Plan Commission had concerns about it, but she doesn't think the Council has delved into that issue yet.

Ms. Tungare said staff is hoping to get the CLT consultant to make a presentation to P&D Committee in March or April. She requested as many Housing Commission members to be present at that meeting as possible. She said staff feels having the CLT consultant present the concept is the best way to educate the Council and community so they can determine whether or not the CLT idea should be proceeded with.

Chairman Amundson said he agrees and wants to keep pushing for the CLT, but for him the higher priority is the IHO.

Mr. Hall said he thinks the Housing Commission should keep pushing their recommendations and try to get back in front of Council.

Ms. Tungare said staff is trying to steer the Council away from focusing on the perception that we have to turn the IHO back on because the State is telling us to. Staff has made some additional changes to the IHO to present to Council based on their feedback. These changes get rid of any reference as to the State. She said staff hopes to present these changes to Council in a couple of weeks.

Ms. Tungare said she thinks Council understands the concept. The feedback she has received is that Council really appreciated staff providing the history and background of the IHO.

Chairman Amundson said he needs to see some movement on the part of the Council and that the Housing Commission needs to be present at the meeting to support the IHO.

## **5. Community Land Trust Exploratory Process Update**

Ms. Johnson said CMAP reached out to Betsy Lassar from Business and Professional People for the Public Interest (BPI), who was active in creating the Highland Park Community Land Trust.

She said Ms. Lassar gave a presentation to the CMAP study partner communities. Ms. Lassar explained how CLTs work and discussed her proposed two-phase process for creating a CLT. Phase one is an exploratory process that Ms. Lassar would lead along with a steering committee made up of staff from the four communities, Housing Commission members and elected officials. This phase would research whether a CLT would be feasible in our area, and how the CLT would be organized and governed, how it would be funded, etc. At the end of phase one, the communities would decide whether they want to move forward and actually create the CLT. Phase two would be creation of the CLT.

Ms. Johnson said the first step is to get the Housing Commission's opinion on whether we should move forward with the exploratory process. The next step is to discuss the idea with City Council. She said Ms. Lassar will be presenting the idea at an upcoming P&D meeting to help make to case to Council.

Mr. Glenn asked what the reaction was from the other communities when Ms. Lassar presented to the CMAP study group. Ms. Johnson said staff from the other communities seemed to support going forward with phase one, but they have to make sure the political will is there to move forward.

Chairman Amundson said he is all for doing the exploratory study. If others want to come along great, but let's just do it regardless; we are the only ones with a housing trust fund anyway. Mr. O'Rourke said he would let phase one bare itself out and the result of that could be that St. Charles is the only community currently ready to pursue this into phase two.

**A motion was made by Mr. Hall and seconded by Ms. Payleitner to move forward and hire Ms. Lassar to conduct phase one of the Community Land Trust exploratory process, and to invite the other communities to join us as we embark on creating a Community Land Trust.**

Mr. Glenn said the motion should be to investigate hiring depending on the cost. Mr. Hall said we have \$500,000 that can be used for affordable housing. Ms. Tungare said the Housing Trust Fund cannot be used to hire the consultant. She has to find funds in the budget. Ms. Johnson is researching some grant opportunities from Kane County.

Chairman Amundson said he would like to change the motion to state that St. Charles supports moving forward with phase one, with or without the other communities. Commissioners expressed agreement. Ms. Tungare said this is contingent on funding. Ms. Johnson said the total cost of phase one is \$12,000, so if all four communities agree, it will cost \$3,000 each. Mr. Glenn asked if the City could do it alone paying for the full \$12,000. Ms. Johnson said that is a budget question. Mr. Hall said if there's a gap the Housing Commission can figure out a way to raise the funds.

Mr. Goettel said he thinks it's important to phrase the motion that St. Charles is taking the lead on this, rather than being exclusionary because this was born out of the CMAP study, which was a collaborative effort. Ms. Tungare agreed and said there is more value to being collaborative because the jurisdictional boundaries are invisible where housing issues are concerned and

thinking about it more regionally and globally will get us more traction.

Ms. Johnson said the next step after the presentation to P&D would be for the four communities to get back together in April to share input from their elected officials and then finally decided who is in and who is out.

Mr. Glenn asked if Ms. Lassar would present to the other communities as well. Ms. Tungare said that was just an idea our staff came up with because it is such a complex issue and we do not want to be in front of Council and have unanswered questions which could cause us to lose time. We felt a presentation by the consultant would make sense.

Chairman Amundson said he wants the Housing Commission to communicate to the Council that we are not only interested in investigating this, which we will do as part of phase one, but we want to create the CLT. Even if the other three communities fall away at the end, we still want to do this. I think we can unanimously say we would like to establish a CLT and if the result of this is that we are the only ones standing, we still want it established.

Ms. Tungare said she would like to see more consensus building within the Housing Commission and that we need clear direction on this as a priority. She said all of the ideas the Commission has come up with [listed on the chart provided in the meeting materials] are great ideas worth investigating, but we do not have the staff or the expertise to devote time to each of these.

Chairman Amundson said the CLT is something that we can structure to have benefit for affordability in perpetuity; nothing else is going to have that kind of impact. Ms. Payleitner expressed agreement.

Chairman Amundson said he does not want to wait until March for the Council to address the IHO. He said Council either needs to take us seriously or if they are not then they need to own up to it because he doesn't want to be stuck in this political football; we have other things we could all be doing. He said this is coming to a head right now mostly because he is seeing opportunities slip through our fingers.

Ms. Tungare said in all fairness to the Council, they have had some lengthy agendas and have been bombarded with a lot so if the opportunity doesn't exist to have the regularly scheduled February P&D meeting the other option would be to have a special P&D meeting on one of the other nights they have a committee meeting.

Ms. Pierog asked what the price point is for the proposed homes at Corporate Reserve. Ms. Johnson said the owner has not yet identified a builder, so the price point is unknown. Ms. Pierog asked if the IHO were in place, and 78 homes at \$300,000 each were built, how much of a fee would the developer have to provide. Ms. Tungare said we cannot collect a fee for that development because it has already been approved and the Council made an informed decision that they did not want the IHO to apply to Corporate Reserve. Ms. Johnson said Council did not think it was fair to subject the developer to a fee that they didn't know about coming in.

Ms. Tungare said our timeline is to get the IHO approved and codified no later than the end of March. Once that is done, the CLT consultant will present to P&D Committee in March or April, depending on her availability. She said she feels strongly that if the CLT is going to move forward, we need the consultant to present to Council and gauge support. She asked the Housing Commission members attend that meeting, in the spirit of efficiency. She said her hope is that once the CMAP study partner communities have a meeting of the minds regarding the exploratory phase, hopefully they can have a contract in place by May.

Ms. Tungare said she would like the Commission to appreciate how fortunate we are to have Matt and Ellen, two extremely qualified individuals with not just a high sense of commitment but also the level of expertise they bring to our housing efforts. This is not even part of Matt's job scope anymore. She said other communities are envious of us because they do not have this level of expertise and staff. She said you can rest assured that staff is committed to this initiative and she has no doubt that Council is committed to inclusionary housing, it is just the question of bringing them along slowly and making sure they get comfortable with the concept.

Mr. Glenn said he thinks what we are dealing with is they were surprised and maybe now that we are over that hurdle, we can close the deal.

Ms. Tungare said she thinks this group's relationship with the Council, long term, is important because we will be walking side by side on the CLT and other initiatives.

Ms. Pierog asked if when the CLT discussion comes through, if the Northshore land trust representatives would be asked to come out and speak. Ms. Johnson said Ms. Lassar could speak to their experience because she helped Highland Park actually create that CLT.

Mr. Glenn noted that the Women's Council of Realtors is having a lunch speaker with three Mayors coming to speak about housing. He said to send him any questions anyone would like him to ask.

Mr. Goettel said at the last meeting, the discussion went a little bit the other direction as to what a priority was versus the CLT. He said he wondered if we should just narrow it down to two options and have a discussion at the next meeting whether the CLT is our primary focus, or if the focus is the single-family rehab program.

Ms. Tungare said politically she believes the Mayor is supportive of the CLT.

Mr. O'Rourke said in regard to the single-family rehab program, housing trust funds cannot be used for marketing materials, but we can discuss how to get the word out. He said to him the best way to do that is through church groups because they know the folks that may need assistance and can approach them in a sensitive way. Ms. Johnson said staff could create a brochure and make copies that can be distributed to churches and other groups.

Mr. Hall suggested creating a Facebook page or group for the Housing Commission. Mr. O'Rourke suggested using the City's Facebook page and other social media. Ms. Tungare suggested exploring that with the City's communications person to find opportunities to tap into

social media.

Mr. Glenn suggested a community informational session. Mr. O'Rourke said we tried similar things in the past. He said he thinks people that could use the program don't always show up to things like that due to embarrassment. Ms. Tungare said social media gets a lot of attention these days and we will need to explore that.

Ms. Pierog suggested working with the social workers at the schools because they deal with all sorts of different issues. Mr. Hall said he would be happy to help with the brochures. Ms. Johnson said she would draft something for the Commission to review.

Mr. Hall withdrew his earlier motion. Ms. Tungare suggested three separate motions.

**A motion was made by Mr. Hall and seconded by Ms. Payleitner with a unanimous voice vote to move forward with phase one of the exploratory process for creating a Community Land Trust, with St. Charles taking a leadership role.**

**A motion was made by Mr. Glenn and seconded by Ms. Pierog with a unanimous voice vote that the Community Land Trust is the Housing Commission's highest priority and that the Community Land Trust is an appropriate use of the Housing Trust Fund.**

**A motion was made by Ms. Pierog and seconded by Mr. Hall with a unanimous voice vote to move forward with the marketing and dissemination of program information for the Single-Family Home Rehab Program.**

Chairman Amundson said he thinks the members present are committed to seeing the CLT move forward. Ms. Tungare said there needs to be an acknowledgement from the members not present that this group has made some decisions and are moving forward so that the same conversation does not continue.

Chairman Amundson noted that both the purchase/rehab/resale and affordable senior housing project ideas can all be done with the CLT.

## **6. Discussion of Program/Project Ideas**

Discussion of this item was incorporated within the discussion of Item #5.

## **7. Additional Business**

Mr. O'Rourke noted that Restaurant Week is back, February 22-26.

## **8. Future Meeting Dates**

- a. Thursday, February 18, 2016
- b. Thursday, March 17, 2016

**9. Public Comment**

**10. Adjournment**

A motion was made by Ms. Payleitner and seconded by Mr. Hall with a unanimous voice vote to adjourn at 8:23 p.m.